



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED :04.08.2025

CORAM:

THE HONOURABLE MRS.JUSTICE S.SRIMATHY

ARB.A(MD)Nos.52 to 54 of 2025

and

C.M.P(MD)NOS.9966, 9970 and 9972 of 2025

ARB.A(MD)No.52 of 2025

The Project Director,
National Highway No.49,
National Highways Authority of India,
Door No.1, 2nd floor,
Subramaniapuram, 3rd street,
Karaikudi - 630002

Presently at

The Project Director,
National Highways No.49,
National Highways Authority of India,
No.4/1574, Kattorani East Street,
Ramanathapuram - 623 504.

...Appellant

Vs.

1. Rajamani

2. The District Revenue Officer/Competent authority,
For Land Acquisition (National Highways – 49),
Collectorate Buildings,
Ramanathapuram.

...Respondents

PRAYER : Arbitration Appeal filed under section 37(1) and (2) of Arbitration and Conciliation Act to call for records and set aside the cost imposed in Arbitration O.P.No.05 of 2017 dated 14-10-2024 on the Principal District Judge Judge, Theni and set aside the same and allow this Arbitration appeal.



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For Appellant : Mr.P.Karthick
For Respondents : Mr.N. Tamil Mani, for R-1
Mr.S.Shanmugavel,
Additional Government Pleader for R-2

ARB.A(MD) NO. 53 of 2025

The Project Director
National Highways No.49, National Highways Authority
of India, Door No.1, 2nd Floor, Subramaniapuram, 3rd
Street, Karaikudi - 630 002.

Presently at The Project Director, National Highways No.
49, National Highways Authority of India, No.4/1574,
Kattorani East Street, Ramanathapuram - 623 504.

..Appellant

Vs

1. Ambalam

2. The District Revenue Officer / Competent Authority,
For Land Acquisition (National Highways -49),
Collecotrate Buildings,
Ramanathapuram.

... Respondents

Prayer: Arbitration Appeal filed under section 37(1) and (2) of Arbitration and Conciliation Act to call for record and set aside the cost imposed in Arbitration O.P.No.02 of 2018 dated 14-10-2024 on the Principal District Judge Judge, Theni and set aside the same and allow this Arbitration appeal.

For Appellant : Mr.P.Karthick
For Respondents : Mr.N. Tamil Mani, for R-1
Mr.S.Shanmugavel,
Additional Government Pleader for R-2



Arb Appeal(MD) NO. 54 of 2025

The Project Director
National Highways No.49, National Highways Authority
of India, Door No.1, 2nd Floor, Subramaniapuram, 3rd
Street, Karaikudi - 630 002.

Presently at The Project Director, National Highways No.
49, National Highways Authority of India, No.4/1574,
Kattorani East Street,
Ramanathapuram - 623 504.

Appellant

Vs

1. Easwaran
2. The District Revenue Officer / Competent Authority,
For Land Acquisition (National Highways -49),
Collecotrate Buildings,
Ramanathapuram.

Respondents

For Appellant : Mr.P.Karthick
For Respondents : Mr.N. Tamil Mani, for R-1
Mr.S.Shanmugavel,
Additional Government Pleader for R-2

Prayer: Arbitration Appeal filed under section 37(1) and (2) of Arbitration and Conciliation Act to call for record and set aside the cost imposed in Arbitration O.P.No.04 of 2017 dated 14-10-2024 on the Principal District Judge, Theni and set aside the same and allow this Arbitration appeal.

COMMON ORDER

These Arbitration Appeals are filed to set aside the cost imposed in Arbitration O.P.Nos.05 of 2017, O.P.No.02 of 2018 and O.P.No.04 of 2017 dated 14.10.2024 on the file of the Principal District Judge, Theni.



2. These appeals are filed aggrieved over the increased court fee during the disposal of the original petition. The appellant had already paid the Court fee at the time of filing the case. But the District Judge had increased the court fee during the disposal of the original petition to Rs.1,00,000/- and directed to pay the same as court fee. The contention of the appellant is that if the case is remanded back, then the Court below ought to refund the court fees. In such circumstances, the District Court while remanding the case to District Collector imposing the increased court fee is against the provision of law. In support of this contention, the learned Counsel relied on Section 67 of the Tamil Nadu Court Fees and Suit Valuation Act, 1955. The provision states that once a matter is remanded to the lower court for a fresh decision, the court ought to refund the full amount of court fees paid on the memorandum of appeal. The relevant portion is extracted hereunder:

67. Refund in cases of remand.

 (1) *Where a plaint or memorandum of appeal which has often rejected by the lower Court is ordered to be received, or where a suit is remanded in appeal for a fresh decision by the lower Court, the Court making the order or remanding the appeal may direct the refund to the appellant of the full amount of fee paid on the memorandum of appeal; and if the remand is on second appeal, also on the memorandum of appeal in the first appellate Court and if the remand is in Letters Patent Appeal, also on the memorandum of second appeal and memorandum of appeal in the first appellate Court.*



3. The 2nd limb of the provision states if the suit is remanded for fresh decision by the Lower Court, then the Court may be direct to refund the full court fee. In the present case the case has been remanded to the District Collector for fresh consideration. In such circumstances, the appellant is entitled to refund of court fee. Therefore, this Court is directing to refund the court fee paid by the appellant within three months from the date of receipt of the copy of the order.

4. As far as the imposition of cost is concerned the Learned Counsel submitted that under Section 31(A)(2) of the Arbitration and Conciliation Act, 1996, for imposing of cost the Court ought to record the reasons in writing. The relevant portion is extracted hereunder:

If the Court or arbitral tribunal decides to make an order as to payment of costs, -(a) the general rule is that the unsuccessful party shall be ordered to pay the costs of the successful party; or (b) the Court or arbitral tribunal may make a different order for reasons to be recorded in writing.

5. After perusing the said provision, this Court is of the considered opinion that, even though the imposition of costs falls within the discretionary power of the Tribunal, the absence of recording any reasons renders the order unsustainable. Therefore, this Court is inclined to interfere with the cost imposed by the Tribunal and accordingly the cost imposed is set aside.

6. As far as the advocate's fee taking into all factors into consideration, this



Court is inclined to reduce the Senior fees to Rs.3,000/- and the junior counsel's fee to Rs.1,000/-.

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7. With the above modifications, other portion of the impugned orders are hereby confirmed.

8. The District Collector shall hear the cases and an appropriate order shall be passed within a period of four months from the date of receipt of a copy of the order.

9. Accordingly, these Arbitration Appeals are partly allowed. No Costs. Consequently, connected miscellaneous petitions are closed.

04.08.2025

NCC : Yes / No
Internet : Yes

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To:

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1. The Principal District Court, Theni.
2. The District Revenue Officer/Competent authority,
For Land Acquisition (National Highways – 49),
Collectorate Buildings,
Ramanathapuram.



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S.SRIMATHY, J.

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**Common Order made in
ARB.A(MD)Nos. 52 to 54 of 2025**

DATED : 04.08.2025